



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE

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"To Enrich Lives Through Effective And Caring Service"

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December 17, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17 December 17, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**EIGHT-YEAR LEASE – DEPARTMENT OF HEALTH SERVICES
238 and 242 EAST 6TH STREET, LOS ANGELES
(SECOND DISTRICT)
(3 VOTES)**

SUBJECT

An eight-year lease for 3,167 square feet of office and clinic space to house the Department of Health Services, Housing for Health Division program.

IT IS RECOMMENDED THAT THE BOARD:

1. Consider the Negative Declaration together with the fact that no comments were received during the public review process, find that the project will not have a significant effect on the environment, find that the Negative Declaration reflects the independent judgment of the County of Los Angeles to approve the Negative Declaration, find that the project will have no adverse effect on wildlife resources, and authorize the Chief Executive Office to complete and file a Certificate of Fee Exemption for the project.
2. Approve and instruct the Chairman to sign the eight-year lease with Skid Row Housing Trust, a California Corporation (Landlord) for the occupancy of 3,167 square feet of office and clinic space located at 238 and 242 East 6th Street, Los Angeles, for the Department of Health Services, for a maximum first year rental cost of \$80,188, and a maximum one-time tenant improvement cost of \$400,000. The tenant improvement costs will be paid by the Department of Health Services via progress payments when predetermined construction milestones are completed. The rental and related costs are 100 percent net County cost.
3. Authorize the Internal Services Department, the Department of Health Services, or the Landlord,

at the direction of the Chief Executive Office, to acquire telephone, data, and low voltage systems at a cost not to exceed \$125,000, which will be paid by the Department of Health Services via lump sum payment.

4. Authorize the Chief Executive Officer, Directors of Health Services and Internal Services to implement the project. The lease will be effective upon approval by the Board, but the term and rent will commence upon completion of the improvements by the Landlord and acceptance by the County.

5. Authorize the Chief Executive Office to exercise the two renewal options by providing 60 days written notice to the Landlord prior to the end of the initial term, or the first option term.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The proposed lease will provide the Department of Health Services (DHS) with clinic space and office space for Housing for Health Division (HFH) program at the Star Apartments building located in the Skid Row area. The programs will be located on the ground floor of a multi-tenant, multi-story office, clinic, and supportive housing building.

The ground floor clinic space will be used by DHS staff to provide direct health care services to DHS's clients housed in permanent supportive housing located on the upper floors of the building. Services will also be extended to clients who are homeless or formerly homeless who need access to primary health care services. The target population experience complex health and behavioral conditions. Many are chronically homeless and suffer high rates of disability and multiple untreated health conditions, which can lead to early mortality. The health services provided by HFH program will decrease the high cost of emergency room visits, inpatient admissions, and inpatient stays.

The administrative staff develop supportive housing and residential placement options for DHS patients who are homeless. The proposed administrative office space will allow DHS, HFH to house staff in an area which has a high concentration of homeless and supportive housing units. The placement of the HFH offices in a client-based supportive housing facility is an effective and efficient use of DHS resources for this target population.

The subject facility will be occupied by 26 DHS employees.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of process, structure, and operations to support timely delivery of customer-oriented and efficient public service. The proposed lease is in conformance with the Asset Management Principles as outlined in Attachment A.

FISCAL IMPACT/FINANCING

The proposed lease will provide DHS the use of 3,167 square feet of clinic and office space at a maximum first year rental cost of \$80,188 or \$2.11 per square foot per month and a maximum Tenant Improvement (TI) reimbursement of \$400,000. The Landlord is responsible for operational and building maintenance costs including janitorial. The County of Los Angeles (County) is responsible for the cost of electrical, interior maintenance, trash, and medical waste disposal service

and supplies.

Sufficient funding for the proposed lease is included in the Fiscal Year (FY) 2013 14 Rent Expense budget and will be charged back to DHS. DHS has sufficient funding in its FY 2013-14 operating budget to cover the projected lease costs which are 100 percent net County costs. Attachment B is an overview of the lease costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed lease will provide DHS clinic and office space in the Skid Row area for the HFH program. The proposed lease includes the following provisions:

- An eight-year lease term commencing upon completion of the improvements by the Landlord and acceptance by the County.
- A modified full-service gross lease whereby the Landlord is responsible for janitorial, operational, and building maintenance of the facility. The County is responsible for electrical, interior maintenance, trash, and medical waste disposal services and supplies.
- A reimbursable TI allowance of \$126 per square foot, or \$400,000, paid via construction progress payments when predetermined construction milestones are completed.
- A cancellation provision allowing the County to cancel at or after the 60th month of each option term upon 60 days prior written notice.
- Furniture will be purchased through the TI allowance. Ancillary items will be purchased by DHS directly or through Internal Services Department (ISD) Purchasing.
- A \$30,000 Development Services Fee for construction management will be paid through the TI allowance to the Landlord when construction milestones are completed.
- Two eight-year options to extend the lease at the same terms and conditions with 60 days prior written notice, by the Chief Executive Office.
- Fixed 3 percent annual rental adjustments commencing on the 13th month of the term.

Staff has surveyed the market rent for the area and has established that the base rental range for similar space and terms is between \$24 and \$42 per square foot per year on a modified gross basis for office/clinic space. Thus, the proposed base annual rental rate of \$25 represents a rate within the market range for the area. In addition, the proposed facility provides a viable space to house the DHS, HFH clinic and offices within the service area. Attachment C shows County-owned or leased facilities in the proximity of the service area, and there are no suitable County-owned or leased facilities available for the program.

The facility consists of new construction suitable for County occupancy. Construction of the TIs will be completed in compliance with building codes and the Americans with Disabilities Act.

ENVIRONMENTAL DOCUMENTATION

The CEO has made an initial study of environmental factors and has concluded that this Project will

have no significant impact on the environment and no adverse effect on the wildlife resources. Accordingly, a Negative Declaration has been prepared and a notice posted at the site as required by the California Environmental Quality Act and the California Administrative Code, Section 15072. Copies of the completed study, the resulting Negative Declaration, and the Notice of Preparation of Negative Declaration as posted are attached. No comments to the Negative Declaration were received. A fee must be paid to the State Department of Fish and Game when certain notices are filed with the Registrar-Recorder/County Clerk. The County is exempt from paying this fee when the Board finds that a project will have no impact on wildlife resources.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease will provide the necessary office space for this County requirement. DHS concurs with the proposed recommendation.

CONCLUSION

It is requested that the Executive Office, Board of Supervisors return three originals of the executed lease, two certified copies of the Minute Order and the adopted, stamped Board letter to the CEO, Real Estate Division at 222 South Hill Street, Fourth Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', with a long horizontal line extending to the right.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:CMM
CEM:MAC:gw

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Health Services
Internal Services

DEPARTMENT OF HEALTH SERVICES
238 and 242 EAST 3 RD STREET, LOS ANGELES
Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
A	Does lease consolidate administrative functions? ²				X
B	Does lease co-locate with other functions to better serve clients? ² DHS clinic and program administrative offices will occupy the proposed facility in separate suites.		X		
C	Does this lease centralize business support functions? ²				X
D	Does this lease meet the guideline of 200 sq. ft. of space per person? ² Approximately 132 square feet per person due to the clinic program function.			X	
2.	<u>Capital</u>				
A	Is it a substantial net County cost (NCC) program? 100% Net County Cost		X		
B	Is this a long term County program?		X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?			X	
D	If no, are there any suitable County-owned facilities available?			X	
E	If yes, why is lease being recommended over occupancy in County-owned space?				X
F	Is Building Description Report attached as Attachment C?		X		
G	Was build-to-suit or capital project considered?			X	
3.	<u>Portfolio Management</u>				
A	Did department utilize CEO Space Request Evaluation (SRE)?		X		
B	Was the space need justified?		X		
C	If a renewal lease, was co-location with other County departments considered?				
D	Why was this program not co-located?				
	1. ____ The program clientele requires a "stand alone" facility.				
	2. <u>X</u> No suitable County occupied properties in project area.				
	3. <u>X</u> No County-owned facilities available for the project.				
	4. ____ Could not get City clearance or approval.				
	5. ____ The Program is being co-located.				
E	Is lease a full service lease? ² Landlord required County to pay electrical, trash, medical waste disposal service and interior maintenance costs.			X	
F	Has growth projection been considered in space request?				X
G	Has the Dept. of Public Works completed seismic review/approval?				X
	¹ As approved by the Board of Supervisors 11/17/98				
	² If not, why not?				

**FISCAL IMPACT/FINANCING
OVERVIEW OF THE PROPOSED LEASE**

Proposed Lease	238 and 242 East 6TH Street, Los Angeles
Area (Square Feet)	3,167 rentable square feet
Term (years)	Eight-years, commencing upon Board approval and County's acceptance of the TIs
Annual Base Rent	\$80,188 (\$25.00 per sq. ft. annually)
TI Reimbursement ⁽¹⁾	\$400,000 via progress payments when predetermined construction milestones are completed
Maximum Annual Lease Cost ⁽²⁾	\$80,188
Cancellation	At or after the last day of the 60 th month or each Option Term with 60 days prior written notice
Trash and Medical Waste Disposal Service	The reoccurring and fluctuating costs for trash/medical waste disposal service are to be paid as additional rent to Landlord
Options to Renew	Two 8-year options
Rental adjustment	Fixed 3 percent per annum

⁽¹⁾ \$400,000 represents the maximum amount of reimbursable TI funds available for this project payable when predetermined construction milestones are completed.

⁽²⁾ Comprised of the annual base rent only.

**DEPARTMENT OF HEALTH SERVICES
SPACE SEARCH WITHIN A ONE-MILE PARAMETER OF
SKID ROW AREA**

	FACILITY NAME	ADDRESS	SQUARE GROSS	FEET NET	OWNERSHIP	SQUARE FEET AVAILABLE
A405	BOS/ARTS COMMISSION-WILSHIRE-BIXEL BUILDING	1055 WILSHIRE BLVD SUITE 800, LOS ANGELES 90017	7873	7479	LEASED	NONE
5266	METROPOLITAN COURTHOUSE	1945 S HILL ST, LOS ANGELES 90007	303433	136422	STATE OF CALIFORNIA	NONE
A675	DA-METRO COURT/DCFS METRO NORTH/ERCPC/CALL CTR	1933 S BROADWAY, LOS ANGELES 90007	148483	141059	LEASED	NONE
A216	DPSS-APPEALS & STATE HEARINGS	811 WILSHIRE BLVD, LOS ANGELES 90017	4512	4286	LEASED	NONE
5546	PH-CENTRAL PUBLIC HEALTH CENTER	241 N FIGUEROA ST, LOS ANGELES 90012	60924	34748	OWNED	NONE
5456	HEALTH SERVICES ADMINISTRATION BUILDING	313 N FIGUEROA ST, LOS ANGELES 90012	221359	134851	OWNED	NONE
3155	PERFORMING ARTS CTR-DE LISA BLDG/THE ANNEX	301 N GRAND AVE, LOS ANGELES 90012	27582	17978	OWNED	NONE
0155	STANLEY MOSK COURTHOUSE	111 N HILL ST, LOS ANGELES 90012	794459	489254	STATE OF CALIFORNIA	NONE
0181	KENNETH HAHN HALL OF ADMINISTRATION	500 W TEMPLE ST, LOS ANGELES 90012-2713	958090	557268	OWNED	NONE
A159	DISTRICT ATTORNEY-FIGUEROA PLAZA	201 N FIGUEROA ST, LOS ANGELES 90012	87810	83420	LEASED	NONE
A429	CAO-REAL ESTATE DIVISION/ SERVICE INTEGRATION	222 S HILL ST, LOS ANGELES 90012	30905	27158	LEASED	NONE
A627	COUNTY ADMIN OFFICES-LA WORLD TRADE CTR	350 S FIGUEROA ST, LOS ANGELES 90071	52516	49890	LEASED	NONE
A632	PUBLIC DEFENDER-PIAS ET. AL	312 S HILL ST GRAND CENTRAL MARKET, LOS ANGELES 90012-3503	9782	9293	LEASED	NONE
0156	HALL OF RECORDS	320 W TEMPLE ST, LOS ANGELES 90012	438096	254220	OWNED	NONE
3154	CLARA SHORTRIDGE FOLTZ CRIMINAL JUSTICE CENTR	210 W TEMPLE ST, LOS ANGELES 90012	1036283	516275	STATE OF CALIFORNIA	NONE
A588	SHERIFF'S AB 109 PAROLE COMPLIANCE TEAM	301 S CENTRAL AVE, LOS ANGELES 90013	3100	2945	LEASED	NONE
Y013	DPSS-CIVIC CENTER DISTRICT/GROW CENTER OFFICE	813 E 4TH PL, LOS ANGELES 90013	39956	25158	OWNED	NONE
A218	MENTAL HEALTH-SKID ROW MANAGEMENT TEAM	420 S SAN PEDRO ST, LOS ANGELES 90013	3516	3340	LEASED	NONE
B426	DMH-ADULT SYSTEMS OF CARE-FSP	426 S SAN PEDRO ST, LOS ANGELES 90013	6500	6175	LEASED	NONE
B446	DHS-SKID ROW CLINIC	512 S SAN PEDRO ST, LOS ANGELES 90013	20628	19597	LEASED	NONE
B447	DMH-PROJECT 50 (OFFICE ONLY)	521 S SAN PEDRO ST, LOS ANGELES 90013	2540	2413	LEASED	NONE
5979	CENTRAL ARRAIGNMENT COURTHOUSE	429 BAUCHET ST, LOS ANGELES 90012	83692	46440	OWNED	NONE

**COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LEASE AGREEMENT**

DEPARTMENT: HEALTH SERVICES, as Tenant

LANDLORD: SKID ROW HOUSING TRUST, a CALIFORNIA CORPORATION

**238 EAST 6TH STREET, LOS ANGELES
242 EAST 6TH STREET, LOS ANGELES**

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COUNTY OF LOS ANGELES

CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

THIS LEASE is entered into as of the 17th day of December, 2013 between Skid Row Housing Trust, a California corporation ("Landlord"), and COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant" or "County").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION. The following terms as used herein shall have the meanings provided in this Section 1, unless otherwise specifically modified by provisions of this Lease.

1.1 Defined Terms Relating to the Lease:

- (a) Landlord's Address for Notice: Skid Row Housing Trust
1317 East 7th Street
Los Angeles, California 90021
- (b) Tenant's Address for Notice: Board of Supervisors
Kenneth Hahn Hall of Administration,
Room 383
500 West Temple Street
Los Angeles, California 90012
- With a copy to:
Chief Executive Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate
Fax Number: (213) 217-4971
- (c) Premises: Premises A (Office): Approximately 1,882 rentable square feet in the Building (defined below) in the space known as 238 East 6th Street as shown on Exhibit A attached hereto.
- Premises B (Clinic): Approximately 1,285 rentable square feet in the Building (defined below) in the space known as 242 East 6th Street as shown on Exhibit A attached hereto.
- (d) Building: The building located at 240 East 6th Street, Los Angeles, which is located upon the real property described more particularly in Exhibit B attached hereto (the "Property");

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- (e) Term: Eight (8) years commencing after Tenant's Acceptance of the Premises as defined in Section 4(a) (the "Commencement Date"); and terminating at midnight on the day before the eighth anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.
- (f) Projected Commencement Date: March 1, 2014
- (g) Actual Commencement Date: See section 4(a)
- (h) Irrevocable Offer Expiration Date: January 1, 2014
- (i) Basic Rent: \$6,682.37 per month (which is based upon a rental rate of \$2.11 per rentable square foot adjustable only as provided in Sections 2(b) and 5 hereof.)
- (j) Early Termination Notice Date: At or after the last day of the 60th full calendar month of each Option Term.
- (k) Rentable Square Feet in the Premises: 3,167
- (l) Use: General office use, medical clinic or for any other lawful purposes not incompatible with other uses in the Building.
- (m) Initial Departmental Use: Health Services
- (n) Parking Spaces: 0
- (o) Normal Working Hours: 7:00 a.m. to 7:00 p.m., Monday through Saturday, except New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days such holidays are generally observed) and such other holidays as are generally recognized by the County of Los Angeles, California.

(p) Asbestos Report: N/A

1.2 Defined Terms Relating to Landlord's Work Letter: N/A

1.3 Exhibits to Lease:
Exhibit A - Floor Plan of Premises
Exhibit B- Legal Description of Property
Exhibit C - Commencement Date
Memorandum and Confirmation of Lease
Terms
Exhibit D - HVAC Standards
Exhibit E - Cleaning and Maintenance
Schedule
Exhibit F - Development Services Agreement
Exhibit G - List of Furnishings

1.4 Landlord's Work Letter: N/A

1.5 Supplemental Lease Documents: (Delivered to Landlord and made a part hereof by this reference):
Document I: Subordination, Non-disturbance and Attornment Agreement
Document II: Tenant Estoppel Certificate
Document III: Community Business Enterprises Form
Document IV: Memorandum of Lease
Document V: Request for Notice

2. PREMISES

(a) Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1 and Exhibit A attached hereto.

(b) Tenant shall have the right within 90 days of approval of this Lease by the Board of Supervisors of the County of Los Angeles ("Board of Supervisors") to field-measure and verify the exact footage of the Premises and/or the Building. All measurements shall be taken in accordance with the methods of measuring rentable/usable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI Z65.1-1996, as promulgated by the Building Owners and Management Association ("BOMA") International except that no penthouse mechanical room space shall be included in the measurement. Should this measurement be less than the square footage stated above, Tenant shall have the right to adjust such square footage and reduce the Basic Rent in Section 1 accomplished by the mutual execution of a memorandum of understanding between the Landlord and the Tenant. Landlord acknowledges the space has been marketed at the above-indicated rental amount and in the event of subsequent physical measurements, Landlord agrees there will be no adjustment made to either the square footage or the Basic Rent in the event the measured square footage exceeds the amount represented by Landlord. Should Landlord and Tenant not agree with respect to the results of the measurement conducted pursuant to this subsection (b) Landlord shall appoint an independent firm or person who is experienced in making such measurements whose determination with respect to which measurement is correct shall be final and binding upon the parties. Landlord and Tenant shall share equally in the fees of such firm.

3. COMMON AREAS. Tenant may use the following areas ("Common Areas") in common with Landlord and other Tenants of the Building: the entrances, lobbies and other public areas of the Building, walkways, landscaped areas, driveways necessary for access to the

Premises, parking areas and other common facilities designated by Landlord from time to time for common use of all Tenants of the Building. Tenant shall comply with all reasonable, non-discriminatory rules and regulations regarding the use of the Common Areas established by Landlord.

4. COMMENCEMENT AND EXPIRATION DATES

(a) Term. The term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within 30 days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing the Commencement Date Memorandum and Confirmation of Lease Terms attached as Exhibit C. The Commencement Date shall begin after Tenant's Acceptance of the Premises. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Premises are Substantially Complete, Tenant has inspected the Premises and Tenant has accepted the Premises. The term "Substantially Complete" or "Substantial Completion" as used in this Lease shall mean compliance with all of the following: (1) the shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises; (2) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease, including the installation of cabinets, if so required (except minor punch list items which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises; (3) Landlord has obtained a temporary certificate of occupancy for the Building that includes all of the Premises (4) Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and (5) if Landlord is responsible for the installation of telecommunication systems, then such systems shall be completely operational.

(b) Termination Right. If the Commencement Date has not occurred within 60 days from the Projected Commencement Date, subject to approved delays as provided in Exhibit F attached hereto Tenant may thereafter, at any time before the Commencement Date occurs, terminate this Lease effective upon the giving of written notice to Landlord and the parties shall have no further obligations to one another hereunder.

(c) Early Possession. Tenant shall be entitled to possession of the Premises not less than 30 days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures and equipment in the Premises. Such early occupancy shall be subject to all provisions hereof but shall not advance the Termination Date, and Tenant shall not pay Basic Rent for such early occupancy period.

(d) Early Termination. Tenant shall have the right to terminate this Lease at any time after the Early Termination Notice Date, as defined in Section 1, by giving Landlord not less than 60 days prior written notice executed by the Chief Executive Officer of Tenant.

5. RENT. Tenant shall pay Landlord the Basic Rent, without any deduction or offset, unless otherwise provided for in this Lease, stated in Section 1 during the Term hereof. The first calendar month's Basic Rent shall be due and payable on or before the Commencement Date in the total amount shown in Section 1 (subject to proration, if applicable). Thereafter, a monthly installment in the applicable amount stated in Section 1 above, shall be due and payable without

demand on or before the first day of each calendar month after the Commencement Date during the Term. Basic Rent for any partial month shall be prorated in proportion to the number of days in such month. Basic Rent for the Term of the Lease is as follows:

<u>Year</u>	<u>Rate/Square foot</u>	<u>Monthly</u>	
1	\$2.11	\$6,682.37	
2	\$2.17	\$6,882.84	
3	\$2.24	\$7,094.08	
4	\$2.31	\$7,315.77	
5	\$2.37	\$7,505.79	
6	\$2.45	\$7,759.15	
7	\$2.52	\$7,980.84	
8	\$2.60	\$8,234.20	

	<u>Rate/Square foot</u>	<u>Monthly</u>	<u>Annual</u>
Premises A: (1882sf.)	\$2.11	\$3971.02	\$47,652.24
Premises B: (1285sf.)	\$2.11	\$2,711.35	\$32,536.20

Initial Basic Rent	\$6,682.37		
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All amounts owed pursuant to this Lease, including but not limited to Additional Tenant Improvement Allowance and Charge Orders, shall be consider Rent hereunder.

Beyond year 1 of the Term, the rental rate shall be adjusted as defined herein:

(a) Rental Adjustment: For each successive twelve (12) months of the original Term of this Lease and in the event Tenant exercises its Option pursuant to Section 33 hereof for each successive twelve (12) month period thereafter, the basic rent as set forth in Paragraph 1.1 hereof shall be subject to adjustment. From and after the first anniversary date of the first day of the first full calendar month following the commencement of this Lease and every twelve months thereafter, the rent shall be increased by 3% per year. The rental adjustment for the Basic Rent for the first anniversary of the Lease Term shall be calculated by multiplying the Landlord's Initial Basic Rent of \$6,682.37 by 1.03

The formula shall be calculated as follows:

First anniversary lease year's calculation

$$(\text{Initial Basic Rent}) \times 1.03 = \text{New Adjusted Basic Rent}$$

Each lease year's anniversary thereafter:

$$1.03 \times \text{Prior Year's Adjusted Basic Rent} = \text{New Adjusted Basic Rent}$$

6. USES. The Premises are to be used only for the uses set forth in Section 1 and for no other business or purpose; however, Landlord shall not unreasonably withhold its consent to a change of use.

7. HOLDOVER. If Tenant remains in possession of the Premises or any part thereof after the expiration of the Term of this Lease, such occupancy shall be a tenancy which is terminable only upon 90 days written notice from Landlord or 30 days written notice from the Chief Executive Officer of Tenant at the last monthly Basic Rent payable under this Lease (as such Basic Rent may be adjusted from time to time in accordance with this Lease) plus all other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

8. COMPLIANCE WITH LAW. Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof, regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at its sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Tenant or Landlord during the term hereof, including without limitation, the Americans with Disabilities Act, except to the extent such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises.

9. DAMAGE OR DESTRUCTION.

(a) Damage. In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than 180 days, then Landlord shall promptly, at Landlord's expense, repair such damage and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made untenantable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within fifteen days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises tenantable again using standard working methods. The failure to do so shall be a material default hereunder. Basic Rent shall decrease proportionally to the extent that the Premises are unusable by Tenant, unless such damage was caused by Tenant's negligent or willful act or omission. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.

(b) Tenant Termination Right. In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises will not be restored in a manner comparable to the condition that existed immediately prior to such casualty in less than 180 days for any reason, then Tenant may terminate this Lease by giving written notice within ten days after notice from Landlord specifying such time period of repair; and this Lease shall terminate and the Basic Rent shall be abated from the date the Premises became untenantable. In the event that Tenant does not elect to terminate this Lease, Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises.

(c) Damage In Last Year. Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, either Landlord or Tenant may terminate this Lease by giving notice to the other not more than 30 days after such destruction, in which case (a) Landlord shall have no obligation to restore the Premises, (b) Landlord may retain all insurance proceeds relating to such destruction, and (c) this Lease shall terminate as of the date which is 30 days after such written notice of termination.

(d) Default By Landlord. If Landlord is required to repair and restore the Premises as provided for in this Section and Landlord should fail to thereafter pursue said repair and restoration work with reasonable diligence to completion, Tenant may (a) declare a default hereunder, or (b) perform or cause to be performed the restoration work and deduct the cost thereof plus interest thereon at ten percent (10%) per annum, from the Basic Rent next due as a charge against the Landlord.

10. REPAIRS AND MAINTENANCE.

(a) Landlord Representations. Landlord represents to Tenant that (i) the Premises, the Building and all Common Areas, (including electrical, heating, ventilating and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building, and similar building service systems) comply with all current laws, codes, and ordinances; and are in reasonable good working order and condition; (ii) the Building and Premises comply or will comply with all covenants, conditions, restrictions of the Building's lenders and investors; (iii) the Premises, Building and Common Areas are free of the presence of any Hazardous Materials (as hereinafter defined); and (iv) Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation. Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.

(b) Landlord Obligations. Landlord shall be responsible for the overall building structure, shell and systems only, and shall keep and maintain in good repair and working order, and promptly make repairs to and perform maintenance upon, and replace as needed: (i) the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, roof, concealed plumbing, stairways, concealed electrical systems and telephone intrabuilding network cable (ii) mechanical (including HVAC), electrical, plumbing and fire/life safety systems serving the Building (iii) the Common Areas; (iv) exterior windows of the Building; and (v) elevators serving the Building.

(c) Tenant Obligations. Without limiting Landlord's Obligations, Tenant shall, at Tenant's sole expense, be responsible for the cost of repairing any area damaged by Tenant or Tenant's agents, employees, invitees and visitors and the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall: (i) be made and performed by contractors or mechanics approved by Tenant, which consent shall not be unreasonably withheld or delayed; (ii) be at least equal in quality, value and utility to the original work or installation; and (iii) be in accordance with all laws. Unless otherwise specified in other sections of this lease, Tenant is responsible for maintaining the interior spaces of the premises.

(d) Tenant's Right to Repair. If Tenant provides written notice (or oral notice in the event of an emergency such as damage or destruction to, or of any portion of, the Building structure, and/or the Building systems, and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance, and Landlord fails to provide such action within a reasonable period of time, given the circumstances, after the giving of such notice, but in any event not later than ten (10) business days after the giving of such notice, then Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life, or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within 90 days (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action. If not reimbursed by Landlord within ten days, Tenant shall be entitled to deduct from Basic Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 14.

11. SERVICES AND UTILITIES. Landlord shall furnish the following services and utilities to the Premises:

(a) Heating, Ventilation and Air Conditioning. Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Normal Working Hours in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in Exhibit D attached hereto.

(b) Electricity. Landlord shall furnish to the Premises the amount of electric current provided for in the Working Drawings (if applicable) but in any event not less than seven watts of electric current (connected load) per square foot of Rentable Square Feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or subpanels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises. Tenant agrees to pay when due electrical charges for Premises A and B directly to the Department of Water and Power.

(c) Water. Landlord shall make available water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises.

(d) Janitorial. Landlord shall provide janitorial service, including trash and medical waste removal on six nights per week generally consistent with that furnished in comparable office and medical buildings in the County of Los Angeles, but not less than the services set forth in the specifications set forth in Exhibit E attached hereto. Tenant shall pay for trash and medical waste removal as additional rent.

(e) Access. Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building.

(f) Additional Security. Tenant will contract directly with third party for security guard services for the Premises, however if Tenant needs additional security services, Landlord may provide additional security services to the Premises upon Tenant's request for service. Tenant shall pay for any additional security service as additional rent.

(g) Payment for Utilities and Other Services. Maintenance, janitorial, insurance, water and sewer, and property taxes will be paid by Landlord. Tenant shall directly pay for all electricity, telephone and internet expenses for the Premises. Tenant shall reimburse Landlord for all trash removal costs, including all medical waste removal costs, as additional rent on a monthly basis. Tenant acknowledges that the Premises do not contain improvements necessary to provide gas service to the Premises.

12. LANDLORD ACCESS. Tenant shall permit Landlord and its agents to enter the Premises upon prior written notice for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or Premises, Basic Rent shall be prorated based upon the percentage of the Premises or Building rendered untenable and not used by Tenant. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency.

13. TENANT DEFAULT.

(a) Default. The occurrence of any one or more of the following events (a "Tenant Default") shall constitute a material default and breach of this Lease by Tenant:

(i) The failure by Tenant to make any payment of Basic Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder), as and when due and if the failure continues for a period of ten days after written notice to Tenant;

(ii) The failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of 30 days after written notice from Landlord specifying in detail the nature of the Tenant Default; provided, however, if more than 30 days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion, but in no event to exceed 180 days.

(b) Termination. Tenant agrees that if a Tenant Default should occur and should not be cured within the time periods set forth above, it shall be lawful for Landlord to terminate this Lease upon the giving of written notice to Tenant. In addition thereto, Landlord shall have such other rights or remedies as may be provided by law.

(c) No Effect on Indemnity. Nothing in this Article shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

14. LANDLORD DEFAULT.

(a) Remedies. In addition to the provisions for Landlord's default provided by Sections 9(d), 10(c) 19 and 20(b), Landlord shall be in default ("Landlord Default") in the

performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within thirty days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10(c)) ; provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such thirty day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein: (i) to remedy such default or breach and deduct the costs thereof (including but not limited to attorneys' fees) plus interest at the rate of ten (10%) per annum from the installments of Basic Rent next falling due; (ii) to pursue the remedy of specific performance; (iii) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Basic Rent next coming due; and/or (iv) to terminate this Lease.

(b) Waiver. Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.

(c) Emergency. Notwithstanding the foregoing cure period, Tenant may cure any default without notice where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition, or materially and adversely affect the operation of Tenant's business in the Premises.

15. ASSIGNMENT AND SUBLETTING. Tenant may not assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent: provided, however, that no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto.

16. ALTERATIONS AND ADDITIONS.

(a) Landlord Consent. Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria: (1) complies with all Laws; (2) is not visible from the exterior of the Premises or Building; (3) will not materially affect the systems or structure of the Building; and (4) does not unreasonably interfere with the normal and customary business office operations of other Tenants in the Building. If Landlord fails to respond in writing within 30 days of such request, Landlord shall be deemed to approve the Alterations.

(b) End of Term. Any Alterations not removed by Tenant shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term.

17. CONDEMNATION.

(a) Controlling Terms. If during the Term, or during the period of time between the execution of this Lease and the Commencement Date, there is any taking of all or any part of the Premises or any interest in this Lease by Condemnation (as defined below), this Section shall determine the rights and obligations of Tenant and Landlord. "Condemnation" shall mean the exercise of any governmental power to take title to any portion of the Premises, whether by legal proceedings or otherwise, by a Condemnor (as defined below) or a voluntary sale or transfer by Landlord to any Condemnor, either under threat of a Condemnor's exercise of such power or while legal proceedings are pending for the exercise of such power. "Condemnor" shall mean any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.

(b) Total Taking. If the Premises are totally taken by Condemnation, this Lease shall terminate on the date the Condemnor has a right to possession of the Premises (the "Date of Taking").

(c) Partial Taking. If any portion, but not all, of the Premises is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within 30 days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than 30 days nor later than 90 days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the date of termination as designated by Tenant. If Tenant does not so notify Landlord within 30 days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Basic Rent shall be equitably abated.

(d) Restoration. Notwithstanding the preceding paragraph, if, within 30 days after the Determination Date, Landlord notifies Tenant that Landlord at its cost will add to the remaining Premises so that the area of the Premises and the space available for parking, will be substantially the same after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within 90 days after Landlord so notifies Tenant, this Lease shall continue in effect. All obligations of Tenant under this Lease shall remain in effect, except that Basic Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

(e) Award. The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises.

(f) Waiver of Statute. Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the superior court to terminate this Lease in the event of a partial taking of the Premises.

18. INDEMNIFICATION.

(a) Tenant's Indemnity. Tenant shall indemnify, defend and hold Landlord harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act, omission or willful misconduct of Tenant or its employees, or arising from any breach or default under this Lease by Tenant. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees or invitees. Nothing in this Lease shall be construed to waive, limit, or supersede any of Tenant's rights or immunities under the California Labor Code, including but not limited to a waiver pursuant to section 3864 of the Labor Code.

(b) Landlord's Indemnity. Landlord shall indemnify, defend and hold Tenant harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act, omission or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees, guests, or visitors, or arising from any breach or default under this Lease by Landlord. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

19. INSURANCE.

(a) Landlord's Insurance. During the term of this Lease, Landlord shall maintain the following insurance:

(i) Commercial property insurance which shall (1) cover damage to Landlord's property, including improvements and betterments, from perils covered by the causes-of-loss special form (ISO form CP 10 30), and include ordinance or law coverage (and coverage against acts of terrorism, as provided under the Terrorism Risk Insurance Program Reauthorization Act of 2007, to the extent such coverage is reasonably available and priced at commercially reasonable rates); and (2) be written for full replacement cost of the property, with a deductible of no greater than 5% of the property value.

(ii) General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following: (1) per occurrence and general aggregate amount of \$5,000,000; (2) products/completed operations aggregate of \$2,000,000; and (3) personal and advertising injury of \$1,000,000.

(iii) Failure by Landlord to maintain the insurance required by this Section and deliver evidence thereof as required by this Lease or to use any insurance proceeds to timely repair and restore the Premises shall constitute a material breach of this Lease.

(b) Insurance Requirements. All insurance policies required to be maintained by Landlord under this Lease shall be issued by insurance companies which have a Best's Rating of "AVII" or better and which are qualified to do business in the State of California. All liability and property damage and other casualty policies of Landlord shall be written as primary policies, not contributing with, and not in excess of coverage which Tenant may carry.

(c) Certificates. Landlord shall deliver to Tenant on the Commencement Date of this Lease and thereafter at least 15 days prior to expiration of any insurance required to be carried hereunder, certificates of insurance evidencing this coverage with limits not less than those specified above. Certificates shall include the address of the leased premises and must document that each party has named the other as an additional insured (or its equivalent) on its general liability and property insurance policy and that Tenant has been named as a loss payee on the Landlord's commercial property insurance policy, as required. Further, all certificates shall expressly provide that no less than 30 days' prior written notice (10 days for non-payment of premiums) shall be given to Tenant in the event of material change to, expiration or cancellation of the coverages or policies evidenced by the certificates.

(d) Waiver of Subrogation. Landlord and Tenant each hereby waive their rights of subrogation against one another to the extent it is covered by the property insurance policies required to be carried hereunder. Landlord shall cause its insurance carriers to consent to the foregoing waiver of rights of subrogation against Tenant.

20. PARKING.

(a) Tenant's Rights. Tenant shall have the right to the number of exclusive reserved parking stalls set forth in Section 1 without charge for the Term of this Lease. No tandem parking shall be permitted and Tenant shall be entitled to full in/out privileges. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all Tenants. Tenant acknowledges that all other parking spaces are not for the exclusive use of Tenant; rather, all such parking spaces are to be used on a non-exclusive, first-come, first-served basis by Tenant and other Tenants, occupants, licensees, invitees and permittees of the Building.

(b) Remedies. Landlord acknowledges that it is a material term of this Lease that Tenant receive all of the Parking Spaces to which it is entitled under this Lease for the entire Term of this Lease and that it would be impracticable and extremely difficult to fix the actual damages for a breach of such provisions. It is therefore agreed that if, for any reason whatsoever, a material number of the Parking Spaces required above are not available to Tenant, (in addition to the rights given to Tenant under Section 14 and Sections 9 and 17 in the event of casualty or condemnation) Tenant may (a) terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective 30 days thereafter or (b) deduct from the Basic Rent thereafter accruing hereunder an amount each month equal to the Basic Rent times the percentage of Parking Spaces not so provided times 1.5 but such deduction from Basic Rent shall be not less than ten percent (10%) nor more than one hundred percent (100%).

21. ENVIRONMENTAL MATTERS

(a) Hazardous Materials. Tenant shall not cause nor permit, nor allow any of Tenant's employees, agents, customers, visitors, invitees, licensees, contractors, assignees or

subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi-solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

(b) Landlord Indemnity. Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fine, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of or in connection with the presence of Hazardous Materials on, under or about the Premises, Building or Common Areas or other violation of laws relating to Hazardous Materials other than caused by Tenant. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans; as such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

22. ESTOPPEL CERTIFICATES. Tenant shall, within 30 days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Document II in the Supplemental Lease Documents delivered to Landlord concurrently herewith (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or holder of any mortgage upon Landlord's interest in the Premises.

23. TENANT IMPROVEMENTS. Prior to the Commencement Date, Landlord shall construct turn-key Tenant Improvements (TI) including all furniture, low voltage installations and hard and soft costs consistent with the specifications set forth in Exhibit F and G attached

hereto. Tenant shall be responsible for the improvement costs in accordance with Section 2 of Exhibit F. Tenant agrees to release TI funds to Landlord in accordance with the provisions of Exhibit F.

24. LIENS. Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien.

25. SUBORDINATION AND MORTGAGES

(a) Subordination and Non-Disturbance. Tenant agrees that this Lease shall be subordinate to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase or right of first offer to purchase the Property which may be included herein.

(b) Existing Deeds of Trust. The beneficiary under any existing deed of trust affecting the Building shall provide a written agreement to Tenant in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently herewith within 30 days after the execution of this Lease.

(c) Request for Notice. Landlord acknowledges that Tenant intends to record a Request for Notice with respect to any mortgages or deeds of trust affecting the Property in the form of Document V in the Supplemental Lease Documents delivered to Landlord concurrently herewith.

(d) Notice of Default. If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail requesting any such notice with reference to this Section, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee a copy of any notice of default served upon Landlord hereunder which could permit Tenant to terminate this Lease and an additional ten (10) days within which to cure such default.

26. SURRENDER OF POSSESSION. Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant may (but shall not be required to) remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

27. SIGNAGE. Tenant shall be permitted to install at the Premises reasonably appropriate signs that conform with any and all applicable laws and ordinances.

28. QUIET ENJOYMENT. So long as Tenant is not in default hereunder, Tenant shall have the right to the quiet and peaceful enjoyment and possession of the Premises and the Common Areas during the Term of this Lease, subject to the terms and conditions of this Lease.

29. GENERAL.

(a) Headings Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

(b) Successors and Assigns. All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

(c) Brokers Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation. Tenant shall receive from Landlord or Landlord's broker, within ten (10) days after the execution of this Lease, an amount equal to 50% of all commissions due to Landlord's broker as a result of the execution of this Lease.

(d) Entire Agreement This Lease (and the Exhibits and Supplemental Lease Documents) is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.

(e) Severability Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

(f) Notices All notices and communications to any party hereunder shall be in writing and shall be deemed properly given if delivered personally, sent by registered or certified mail, postage prepaid, or by a recognized overnight commercial messenger providing proof of delivery, facsimile (electronically confirmed) to Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1. Any notice so given shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given.

(g) Governing Law and Forum This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Los Angeles, State of California.

(h) Waivers No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

(i) Time of Essence Time is of the essence for the performance of all of the obligations specified hereunder.

(j) Consent Whenever any consent is required by Landlord or Tenant hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) days after written request is made therefore, together with all necessary information.

(k) Community Business Enterprises Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Document III in the Supplemental Lease Documents delivered to Landlord concurrently herewith.

(l) Memorandum of Lease If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Document IV in the Supplemental Lease Documents delivered to Landlord concurrently herewith, which Memorandum may be recorded by Tenant in the Official Records of Los Angeles County.

30. AUTHORITY. Only the Board of Supervisors has the authority, by formally approving and/or executing this Lease, to bind the County to the terms included herein. Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is binding upon Tenant in accordance with its terms. Landlord understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by County. County shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Officer of the County or its delegate (the "Chief Executive Officer") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Basic Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an Early Termination Notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

31. ACKNOWLEDGMENT BY LANDLORD. Landlord acknowledges that it is aware of the following provisions:

(a) Consideration of GAIN Program Participants Should Landlord require additional or replacement personnel after the effective date of this Lease, Landlord shall give consideration for any such employment, openings to participants in the County Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program who meet Landlord's minimum qualifications for the open position. The County will refer GAIN participants by job category to Landlord.

(b) Solicitation of Consideration It is improper for any County officer, employee or agent to solicit consideration in any form from a Landlord with the implication, suggestion or statement that the Landlord's provision of the consideration may secure more favorable treatment

for the Landlord in the award of the Lease or that Landlord's failure to provide such consideration may negatively affect the County's consideration of the Landlord's offer to lease. A Landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the Lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the Landlord's submission being eliminated from consideration.

(c) Landlord Assignment

(i) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Basic Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.

(ii) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.

(iii) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of the California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the County. Notwithstanding the foregoing, the County hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (collateralized mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.

(iv) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the County may impose damages in an amount equal to the greater of (a) \$500,000 or (b) 10% of the aggregate principal portion of all rental payments payable by the County during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the County may exercise or pursue any other right or remedy it may have under this Lease or applicable law.

(v) Landlord shall give the County notice and a copy of each Security Agreement and any other instrument relating thereto (including, but not limited to, instruments

providing for the payment of Basic Rent directly to an assignee or transferee) at least two weeks prior to the effective date thereof.

(vi) Landlord shall not furnish any information concerning County or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the County) to any person or entity, except with County's prior written consent. Landlord shall indemnify, defend and hold County and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section.

(vii) The provisions of this Section shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns whether so expressed or not. Notwithstanding any provision of this Lease to the contrary, Landlord shall be allowed to transfer or assign the Building and/or the Lease to any affiliate of Landlord without the approval of Tenant.

32. IRREVOCABLE OFFER. In consideration for the time and expense that Tenant will invest, including but not limited to, preliminary space planning, legal review, and preparation and noticing for presentation to the Tenant Real Estate Management Commission of Los Angeles County in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.

33. OPTION TO EXTEND.

(a) Terms of Option Provided that no material default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have two options to renew this Lease for two additional periods of eight years each (each, an "Option Term").

(b) Exercise of Option Tenant must exercise its option to extend this Lease, if it elects to do so, by giving Landlord written notice of its intent to do so by Chief Executive Office letter no later than 60 days prior to the end of the initial Term, or first option term, as the case may be.

(c) Terms and Conditions of Extension Term The Option Term shall be on all the terms and conditions of this Lease, except that Basic Rent for each Option Term shall be the rate in effect (adjustable only as provided in Sections 2(b) and 5) hereof during the last year of the original Lease Term (or first Option Term, as the case may be).

34. SUBLEASE AGREEMENT. It is understood and recognized that this Lease constitutes a sublease to that commercial master lease entitled "**COMMERCIAL MASTER LEASE BETWEEN STAR APARTMENTS, L.P., A CALIFORNIA LIMITED PARTNERSHIP AND THE SKID ROW HOUSING TRUST, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION**," entered into between Star Apartments, L.P. and Landlord dated as of Dec. 31, 2013 (the "Master Lease"), and that any references to "Lease," "Landlord," or "Tenant" herein shall mean sublease, sublandlord and subtenant with respect to the Master Lease. The rights of Tenant herein shall be subject in all respects to the terms of, and the rights of, Landlord as set forth in the, the Master Lease. Except as otherwise

expressly provided in this Sublease, the covenants, agreements, terms, provisions and conditions of the Master Lease insofar as they relate to the Premises, subject to the terms set forth in this Paragraph, are made a part of and incorporated into this Sublease as if recited herein in full. Notwithstanding anything to the contrary set forth in this Sublease, as between the parties hereto only, in the event of conflict between the terms of the Master Lease and the terms of this Sublease, the terms of this Sublease shall control; provided, however, that in the event the observance or performance by either party to the terms herein results in a breach of the terms of the Master Lease, the subject terms of the Sublease shall be invalid and unenforceable and the corresponding terms of the Master Lease shall control.

35. RESERVED TO LANDLORD. Landlord reserves the right from time to time to expand, reduce and otherwise change the size and dimensions of the Building; locate, relocate, alter and change the number and location of buildings and other improvements; change any building dimension, and the number of floors in any of the buildings, identity and type of other stores and tenancies, Building name and names and the common areas located from time to time in or around the Building. Landlord further reserves the use of the exterior walls (other than storefronts), the roof, and the right to install, maintain, use, repair and replace pipes, ducts, conduits and wires leading through the Leased Premises in locations which will not materially interfere with Tenant's use thereof and which serve other parts of the Building. Landlord also reserves the right to use the land below and the space above the Leased in any manner and for any purpose which does not materially and permanently interfere with Tenant's use of the Leased Premises.

36. ACTS OF OTHERS. Landlord shall not be responsible or liable to Tenant, or to those claiming by, through or under Tenant, for any loss or damage which may be occasioned by or through the acts or omissions of third parties or persons occupying space adjoining the Premises or any part of the Leased Premises or any other part of the Building. In addition, Landlord shall not be responsible or liable to Tenant for any loss or damage resulting to Tenant, or those claiming by, through or under Tenant, or any of its property, from fire; explosion; falling plaster; the breaking, bursting, stoppage or leaking of water, gas, sewer, electrical cables, wires or steam pipes; or from water, rain or other substances leaking or coming from the roof, street, subsurface or from any other place or from dampness; or from any similar risks or causes. Landlord shall not be liable for any loss or damage to any person or property sustained by Tenant or any other persons, which may be caused by theft, or by any act or neglect of any tenant or occupant of the Building, or of any other third parties.

37. LANDLORD'S LIABILITY. Anything in this Lease to the contrary notwithstanding, the covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord, but are made and intended for the purpose of binding only the Landlord's interest in the Premises and the Building, as the same may from time to time be encumbered. No personal liability or personal responsibility is assumed by, nor shall at any time be asserted or enforceable against Landlord or its partners or their respective heirs, legal representatives, successors, and assigns on account of the Lease or on account of any covenant, undertaking or agreement of Landlord in this Lease contained. Therefore, in consideration of the benefits accruing hereunder, Tenant and all successors and assigns covenant and agree that, in the event of any actual or alleged failure, breach or default hereunder by Landlord, the sole and exclusive remedy of Tenant shall be against the Landlord's interest in the Premises and the Building.

38. USE OF COMMON AREAS AND FACILITIES. Tenant acknowledges that Tenants and its invitees shall not have access to or the ability to use any of the Building's common areas or facilities not included as part of the Premises.

39. TITLE TO IMPROVEMENTS TO THE PREMISES. Any additions, alterations, decorations, fixtures, hardware, non-trade fixtures and all improvements, temporary or permanent, in or upon the Premises (including the installation of floor coverings) made or caused to be made by Tenant, before or during the term of this Lease, shall be considered permanent improvements and shall become part of the Premises, Tenant retaining no ownership thereof, unless Landlord notifies Tenant to the contrary in writing. If requested by Landlord, Tenant shall, within thirty (30) days of expiration or sooner termination of the Term, remove any and all such additions, alterations, or improvements. If, upon the request of Landlord, Tenant does not remove said additions, decorations, fixtures, hardware, non-trade fixtures and improvements, Landlord may remove them and Tenant shall pay the cost of such removal to Landlord upon demand. Upon any permitted or required removal of such items, or upon any removal thereof in violation of this Section, Tenant shall repair any damage caused by such removal and restore the Premises to their condition prior to the making of such additions, alterations and improvements, reasonable wear and tear excepted.

IN WITNESS WHEREOF this Lease has been executed the day and year first above set forth.

LANDLORD:

Skid Row Housing Trust, a California corporation.

By: [Signature]
Name: MILANES REVIDES
Its: EXECUTIVE DIRECTOR

TENANT:

COUNTY OF LOS ANGELES
a body politic and corporate
By: [Signature]
Name: DON KNABE
Chair, Board of Supervisors



ATTEST:

Sachi A. Hamai
Executive Officer-Clerk
of the Board of Supervisors

By: [Signature]
Deputy

APPROVED AS TO FORM:
John F. Krattli
County Counsel

By: [Signature]
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17 DEC 17 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

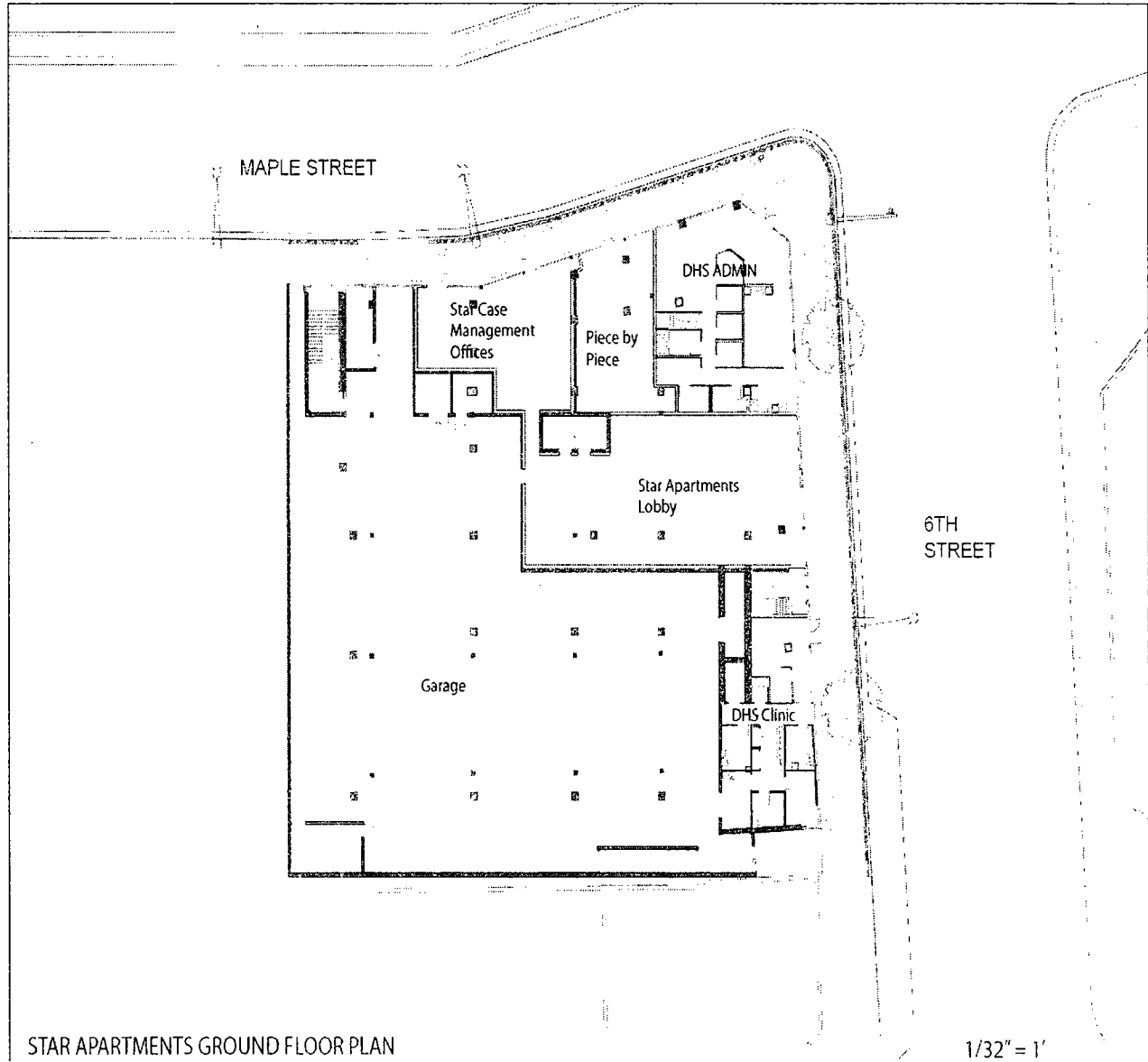
I hereby certify that pursuant to
Section 25163 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

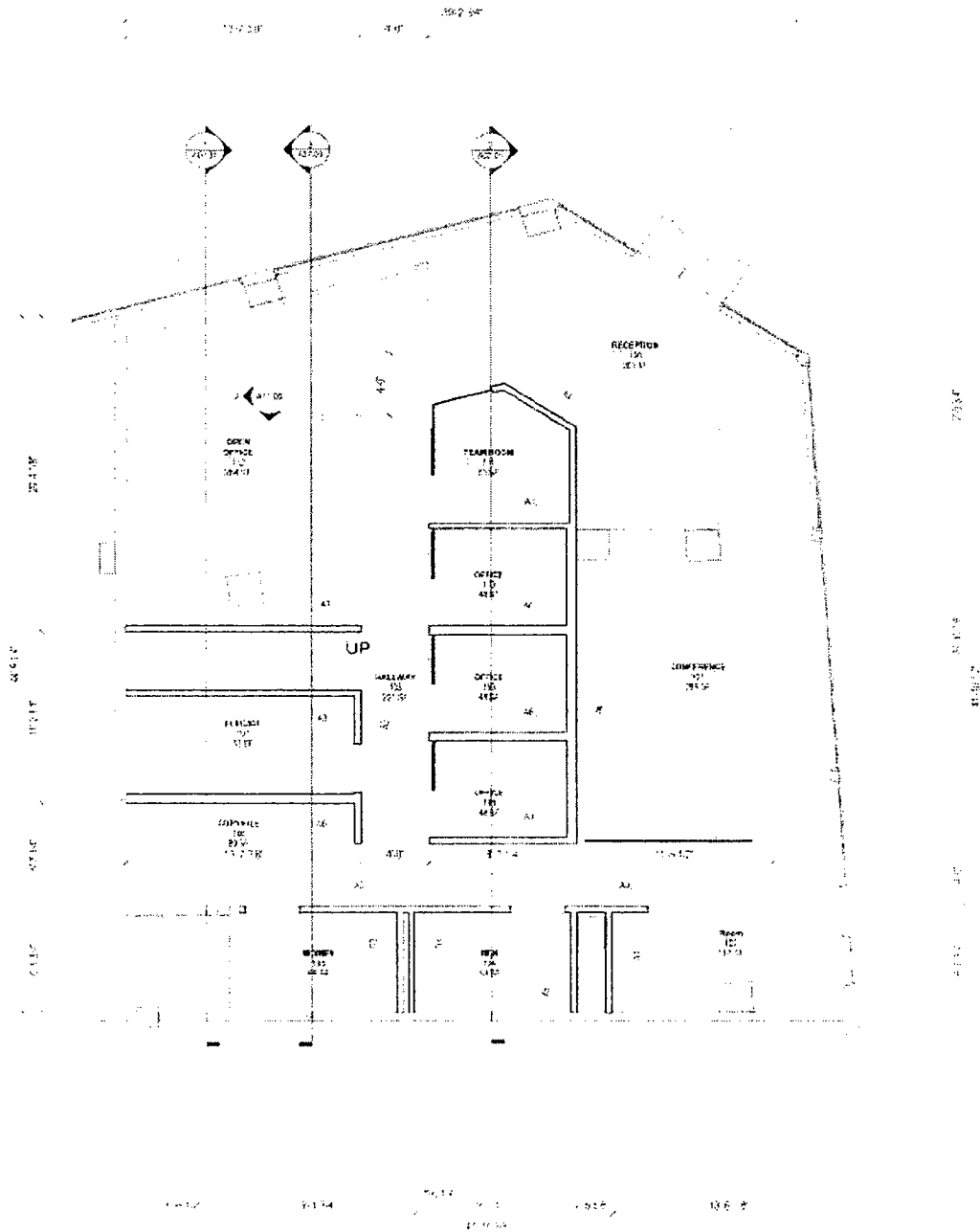
By: [Signature]
Deputy

78096

EXHIBIT A
FLOOR PLAN OF PREMISES



HOA.1016419.1



1 OFFICE CONSTRUCTION PLAN

HOA.1016419.1

EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY

Description of Premises

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

That portion of Lot 15 and all of Lots 16, 17 and 18 of Reyes Vineyard Property, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 59, Page 92 of Miscellaneous Records, in the Office of the County Recorder of said County, and that portion of Maple Avenue adjoining said Lot 15, 16 and 17 on the Northwest, described as a whole as follows:

Beginning at the intersection of the Southerly line of Sixth Street, with the Easterly line of Maple Avenue, as said street lines are now established; thence Easterly along said Southerly line of Sixth Street, 173.02 feet, more or less, to the intersection of the same with the Easterly line of Lot 15 of the Reyes Vineyard Property, as shown on the map recorded in Book 59, Page 92, of Miscellaneous Records, in the Office of the County Recorder of said County; thence Southerly along the Easterly line of Lots 15, 16, 17 and 18 of said Tract, to the Southeasterly corner of said Lot 18; thence Westerly along the Southwesterly line of said Lot 18 to its intersection with the Easterly line of Maple Avenue; thence Northerly along said Easterly line of Maple Avenue, to the point of beginning

Assessor's Parcel Number: 5148-023-020

EXHIBIT C

COMMENCEMENT DATE MEMORANDUM
AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain lease ("Lease") dated _____, 20 ____, between County of Los Angeles, a body politic and corporate ("Tenant"), and _____, a _____ ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at _____ ("Premises"),

Landlord and Tenant hereby acknowledge as follows:

- (1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on _____ ("Possession Date");
- (2) Tenant has accepted possession of the Premises and now occupies the same;
- (3) The Lease commenced on _____ ("Commencement Date");
- (4) The Premises contain _____ rentable square feet of space; and
- (5) Basic Rent per Month is _____.

IN WITNESS WHEREOF, this Memorandum is executed this ____ day of _____, 20__.

"Tenant"	"Landlord"
COUNTY OF LOS ANGELES, a body politic and corporate	_____, a _____
By: _____ Name: _____ Its: _____	By: _____ Name: _____ Its: _____

EXHIBIT D
HVAC STANDARDS

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Normal Working Hours established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

EXHIBIT E

CLEANING AND MAINTENANCE SCHEDULE

1. DAILY (Monday through Friday)

- A. Carpets vacuumed.
- B. Composition floors dust-mopped.
- C. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
- D. Waste baskets, other trash receptacles emptied.
- E. Chairs and waste baskets returned to proper position.
- F. Fingerprints removed from glass doors and partitions.
- G. Drinking fountains cleaned, sanitized and polished.
- H. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
- I. Bulb and tube replacements, as required.
- J. Graffiti expunged as needed within two (2) working days after notice by Tenant.
- K. Floors washed as needed.
- L. Kitchen/Lunchroom supplies replenished including paper supplies and soap.
- M. Exclusive day porter service from ____ to ____ (if provided by contract).

2. WEEKLY

- A. Low-reach areas, chair rungs, baseboards and insides of door jambs dusted.
- B. Window sills, ledges and wood paneling and molding dusted.

3. MONTHLY

- A. Floors washed and waxed in uncarpeted office area.
- B. High-reach areas, door frames and tops of partitions dusted.
- C. Upholstered furniture vacuumed, plastic and leather furniture wiped.
- D. Picture moldings and frames dusted.
- E. Wall vents and ceiling vents vacuumed.
- F. Carpet professionally spot cleaned as required to remove stains.
- G. HVAC chiller water checked for bacteria, water conditioned as necessary.

4. QUARTERLY

- A. Light fixtures cleaned and dusted, but not less frequently than Quarterly.
- B. Wood furniture polished.
- C. Draperies or mini-blinds cleaned as required, but not less frequently than Quarterly.
- D. HVAC units serviced for preventative maintenance purposes, all filters changed.

5. SEMI-ANNUALLY

- A. Windows washed as required inside and outside but not less frequently than twice annually.
- B. All painted wall and door surfaces washed and stains removed.
- C. All walls treated with vinyl covering washed and stains removed.

6. ANNUALLY

A. Furniture Systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system.

B. Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.

C. Touch-up paint all interior painted surfaces in a color and finish to match existing.

7. AS NEEDED

A. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.

B. All lawns, shrubbery and foliage on the grounds of the Premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.

C. Carpets to be cleaned using a non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer. The following schedule will be maintained for carpet cleaning: (i) heavy traffic areas as needed with a minimum frequency of bi-monthly [six (6) times per year]; (ii) moderate traffic areas cleaned as needed with a minimum of once every six (6) months [two (2) times per year]; and (iii) clean light traffic areas a minimum of once per year. Landlord agrees that bonnet cleaning is not an acceptable method of cleaning carpets.

D. All walls repainted and wall coverings replaced throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and in a color acceptable to Tenant. In no event will Landlord be required to repaint or replace wall coverings more than one (1) time in a five (5) year period (the "Occurrence"). The initial Tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute an Occurrence for the purpose of determining the frequency of this work.

8. GENERAL

Landlord shall, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.

EXHIBIT F

DEVELOPMENT SERVICES AGREEMENT

This Development Services Agreement (this "Agreement") is made as of _____ 1, 2013 by and between The Skid Row Housing Trust (the "Developer"), and

COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant" or "County").

WITNESSETH:

WHEREAS, Skid Row Housing Trust (SRHT) intends to lease the ground floor space of the building located at 240 East 6th Street, Los Angeles, California from Star Apartments L.P., and:

WHEREAS the Tenant intends to sub-lease a portion of the ground floor space totaling approximately 3,167 square feet for the purposes of operating a medical clinic and the administrative offices of the Housing for Health division of the County of Los Angeles Department of Health Services (the "DHS Space").

WHEREAS, the Developer has performed certain services related to the build out of tenant improvements for the DHS Space and will continue to perform development services for the Tenant pursuant to the terms and conditions described herein, upon execution thereof; and

WHEREAS, the Developer and the Tenant wish to enter into this Agreement describing the scope of such development services performed and to be performed by the Developer, for which Developer is entitled to receive payment of a Development fee;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do agree as follows:

1. **Development Services.** Developer shall provide to the Tenant the following services (the "Development Services"):

A. Development/Fiscal Services

- a. Assist Tenant with grant-writing process.
- b. Hold and disburse all funds that have been allocated for the improvement of the DHS Space.
- c. Provide reporting and other grant-related documentation and accounting at milestones and grant close-out.

B. Pre-Construction Services

- a. Assist client in forming the prospective list of candidates, evaluation and selection of architecture firm, general contractor, and all sub-consultants (structural, MEP Engineering).
- b. Assist in the design and value engineering of the Project, with lead decision-making implemented by County of Los Angeles Chief Executive Office-Real Estate Division (CEO-RED).
- c. Assist client in coordination, evaluation, and negotiation of all service agreements with consultants and contract terms with contractors.
- d. Review TI construction documents and design scope with as-built conditions of larger base building.
- e. Review construction schedule developed by general contractor.
- f. Develop the overall DHS Space budget which will include but not be limited to the following:
 - Costs for construction and specialty vendors
 - Furniture, fixtures and equipment (except IT equipment)
 - Permits and other soft costs
 - Construction contingency
- g. Plan Check and Permitting Process
 1. Review design documents and coordinate submission to County and governmental agencies for review and approval ("plan check" process).
 2. Monitor progress of plan check, corrections, back check and separate permit package processes to stay on track with the schedule.
 3. Forwarding of final approved construction documents for general contractor and/or subcontractor pricing.

C. Construction Management Services:

- a. Represent client during the construction phase to assure conformance to plans and client's requirements, budget and schedule. The City of Los Angeles will approve plans for conformance with all applicable building codes prior to issuing the building permit, and will inspect the work for conformance to code prior to issuing the Certificate of Occupancy.
- b. Conduct a weekly progress meeting between Contractor, Developer, County and Design Team throughout all phases of the project and prepare detailed weekly meeting minutes to ensure completion of action items and cause appropriate follow-through and response.
- c. Conduct monthly progress meetings with the Contractor, Developer, Design Team, County and other lenders, as applicable, to review progress, budget and payment applications.
- d. Review and coordinate timely response to RFIs and submittals.
- e. Monitor possible project delays and cost overruns by line item and assist the project team with the development of alternate solutions.

- f. Provide client with periodic updates summarizing budget, schedule, and other relevant concerns.
- g. Review and approve all payment applications and change order requests based on pricing accuracy and schedule impacts; process payments to General Contractor and other payees

D. Post-Construction Services.

- a. Assist in punch-list creation, review, and verification of completion.
- b. Coordinate with the contractor and other vendors and consultants to insure that all Project close-out documents, as-built plans and specifications, warranties, releases, waivers, maintenance stock items, etc. are transferred to the client.
- c. Close-out of all contracts and final payments for consultants, contractors and vendors.

2. **Tenant Improvement Costs:** Tenant and Owner have agreed on the scope of the tenant improvements (the "Tenant Improvements") [and the scope of work and plans and specifications including Tenants furniture are attached hereto as Exhibit G]. The parties acknowledge that the total cost of the Tenant Improvements is estimated to be \$995,000, but that the final cost will not be known until all work is complete and all costs have been billed and totaled. Developer, in conjunction with Tenant, has secured grant funding from the Unihealth Foundation in the amount of \$500,000 and from the Hilton Foundation in the amount of \$95,000 to fund the Tenant Improvements. Tenant's contribution shall not exceed \$400,000 (the "Tenant Contribution") to fund the cost of the Tenant Improvements based on the schedule described below. Within 3 business days after Plan Submission Date, Developer shall submit to Tenant a preliminary budget (the "Preliminary Budget"). Such budget shall be revised into final form within 10 business days from the date the Contractor is selected and will be referred to herein as the "Final Construction Budget". Tenant shall have 5 business days from the date of receipt of the Final Construction Budget to approve or disapprove the Final Construction Budget. Construction of the Tenant Improvements shall not begin until such time as Tenant indicates its approval or disapproval of the Final Construction Budget or the 5 business day period expires without any response from Tenant. In the event Tenant disapproves the Final Construction Budget due to matters related to costs and the Final Construction Budget is 10% or more higher in cost than was projected in the Preliminary Construction Budget, Developer will conduct value engineering with the Contractor and submit a revised budget to the Tenant. Tenant will have 3 business days to approve or submit alternative value engineering items and revised budget to Developer. If a response is not received in 3 business days, Developer will proceed with construction start based on the revised budget. Tenant acknowledges that Developer is in no way responsible for seeking additional funding for the cost of Tenant Improvements.

- a. **Timing of Tenant Contribution:** Tenant will advance progress payments from the Tenant Contribution of \$400,000 to the construction account established by Developer according to the following construction milestones
 - a. \$100,000 at 25% completion
 - b. \$100,000 at 50% completion
 - c. \$100,000 at 75% completion
 - d. \$100,000 at substantial completion

3. Tenant will release funds within 15 business days after Developer has provided Tenant written notice of the completion of construction milestones.

4. **Development Services Fee.** In consideration of the Developer's performance of the Development Services, Tenant shall pay to the Developer a development fee in the amount of \$30,000 for construction management and fiscal services ("Development Fee"), which will be paid directly by Tenant from the Tenant Contribution. (not from grant funds secured by Developer and Tenant for the Project). The development fee shall be paid as follows:

- (a) \$10,000 at construction start
- (b) \$15,000 at 50% completion
- (c) \$5,000 when the Certificate of Occupancy is issued by the City of Los Angeles.

5. **Representations, Warranties and Covenants Of Tenant.** Tenant, by execution of this Agreement, does hereby represent and warrant as follows:

- a. That it has the authority to execute this Agreement, and this Agreement shall be binding upon it and its respective successors and assigns; and
- b. Tenant specifically grants permission to Developer to meet and discuss the DHS Space with Tenant's architects, engineers, and contractors.

6. **Primary Contact.** Tenant shall provide and respond to information on a timely basis, as required by Developer, and to meet its performance responsibilities as a Tenant on a timely and in a professional manner in order to do or perform such other acts as are reasonably necessary to complete the Project, and to allow Developer to perform the Development Services. To that end, Tenant hereby designates and authorizes Miguel Covarrubias or an assigned staff person of the Chief Executive Office-Real Estate Division and Marc Trotz, Director of Housing for Health, to act as the primary contact person who will be made available to Developer at all reasonable times (the "Primary Contact"). The Primary Contact shall be responsible for providing any and all information requested by Developer and for making required decisions (or obtaining such decisions from Tenant's authorized decision-maker) in a timely manner. Developer shall provide adequate notice to Tenant hereby acknowledges and agrees that Developer's ability to perform the Developer Services depends on Tenant's timely cooperation.

7. **Further Action.** Developer and Tenant agree that in going forward with the Project they will, upon request of any other party, do, execute, acknowledge and

deliver or cause to be done, executed, acknowledged and delivered, all further acts, actions, assignments, transfers, agreements, and assurances as may be reasonably necessary to carry out the transactions herein contemplated. Notwithstanding the foregoing, Tenant hereby acknowledges and agrees that Developer shall have no liability for damages caused by delays in the Project, regardless of cause.

8. **Independent Consultant.** It is expressly agreed and acknowledged that in the performance of the services necessary to carry out this Agreement, Developer and its employees shall be, and are, independent consultants and not agents or employees of the Tenant. Developer has and shall retain the rights to exercise full control of the services, and full control of the employment, direction and compensation and discharge of all persons assisting Developer in the performance of its services hereunder. Developer shall be solely responsible for all matters relating to the payment of its employees, including compliance with social security, withholding and all other regulatory government matters, and shall be responsible for its actions and those of its subordinates, employees that are from time to time engaged for the performance of their services.

9. **Assignments and Successors.** This Agreement shall be binding on and shall, as applicable, inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto. Except as specifically provided herein, neither Developer nor Tenant shall assign this Agreement or any portion of this Agreement or delegate any duties or obligations arising under this Agreement without the expressed written consent of the other party.

10. **Defaults and Remedies.** In the event any party fails to comply with the terms and conditions of this Agreement, or the breach of any representation, covenant or warranty, and in the event such breach or default is not cured within twenty (20) days after written notice by a non-defaulting party, then the non-defaulting party will be entitled to any and all remedies of law or equity, subject to the provisions set out in Paragraph 11.

11. **Dispute Resolution.** In the event of a dispute between the parties regarding this Agreement or the Project, the parties shall endeavor to settle claims, disputes, or other matters in question by mediation in accordance with the rules of the American Arbitration Association currently in effect, unless the parties mutually agree otherwise. Demand for mediation shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. A demand for mediation shall be made within a reasonable time after the claim, dispute, or other matter has arisen. In no event shall the demand for mediation be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations. The costs of the mediation shall be shared equally between the parties. In the event any such dispute cannot be resolved through mediation, the parties agree that arbitration shall constitute the sole remedy for the resolution of such dispute. Any of the parties may submit such disputes for binding resolution to the American Arbitration Association, under its commercial arbitration

rules. The arbitration shall be held in Los Angeles, California before a single arbitrator. If the parties cannot agree on a single arbitrator within ten (10) days after the request of either party, such arbitrator shall be appointed by the American Arbitration Association in accordance with its rules.

12. **Amendments.** Any amendments or modifications to this Agreement must be in writing, and shall be made only if executed by both Developer and Tenant.

14. **Entire Agreement.** The terms of this Agreement are intended by the parties as a final expression of their agreement and supersede any prior or contemporaneous agreement. The parties further intend that this Agreement constitutes the exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any proceeding involving this Agreement.

15. **Counterparts.** This Agreement may be executed in counterparts, each of which shall constitute one and the same instrument.

16. **Tenant's Indemnification.** Tenant shall defend (by counsel satisfactory to Developer), indemnify and save and hold harmless Developer and its officials directors, officers, agents, members and employees for, from and against all claims, demands, actions, losses, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and court costs, amounts paid in settlement and amounts paid to discharge judgments) directly or indirectly arising from or relating to (i) a claim, demand or cause of action that any person has or asserts against Tenant or the Project; (ii) any negligent act or omission of the Tenant, or any of its directors, officers, agents, members and employees, except to the extent caused by Developer's negligence or willful misconduct. The provisions of this paragraph shall survive termination of this Agreement.

17. **Developer's Indemnification.** Developer shall defend (by counsel satisfactory to Tenant), indemnify and save and hold harmless Tenant and its officials directors, officers, agents, members and employees for, from and against all claims, demands, actions, losses, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and court costs, amounts paid in settlement and amounts paid to discharge judgments) directly or indirectly arising from or relating to (i) a claim, demand or cause of action that any person has or asserts against Developer or any of its directors, officers, agents, members and employees; and (ii) any negligent act or omission of Developer, or any of its directors, officers, agents, members and employees. negligence and/or willful misconduct from or relating to the services or work provided hereunder by Developer, its directors, officers, agents, members and employees. The provisions of this paragraph shall survive termination of this Agreement

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

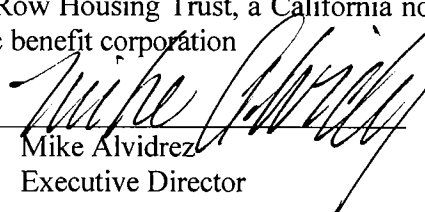
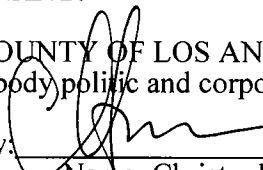
	<p>DEVELOPER:</p> <p>Skid Row Housing Trust, a California nonprofit public benefit corporation</p> <p>By:  Mike Alvidrez Executive Director</p> <p>SUB-TENANT:</p> <p>COUNTY OF LOS ANGELES, a body politic and corporate</p> <p>By:  Name: Christopher M. Montana Title: Acting Director of Real Estate Date Signed: 10/24/13</p>

EXHIBIT G

LIST OF FURNISHINGS








CONCEPT studio
 9300 Sorenson Ave
 Santa Fe Springs, CA 90680
 T: (562) 565-5300 F: (562) 565-5399

BUDGET SUBMITTAL

Date: 10/21/13

Company Name: CH-STAR

Presented by: GARY VINICKY & MARY MOEN









Item	Description	Image	Qty	Per Seat Cost	Extended	Location
EXAM ROOMS AC-1	PETER PEPPER/COAT HOOKS/2017AL		5	\$145.2	\$74.10	
EXAM ROOMS AC-2	Brewer Shop on Metal Med. Square Receptacle Finish: White		5	\$70.00	\$350.00	
WAITING ROOM AC-3	PETER PEPPER/TEMPERATURE PAID 1560A SHELL: Aluminum Metallic 6712 BOTTOM RIS: Rouge 0811		3	\$88.41	\$265.23	
RECEPTION AC-4	PETER PEPPER/MAGAZINE RACK 1560B SHELL: Aluminum Metallic 6712 BOTTOM RIS: Rouge 0811		4	\$112.24	\$448.96	
PATIENT ROOMS AC-5	HPAA Steel Shell Medical File & Chart Holder - Wall Mount Finish: Aluminum Metallic		5	\$54.76	\$273.80	
TASK CHAIRS CN-1	STEELCASE PERU BACK: GREY MESH SEAT: GREY - CRYSTALINE 5423		20	\$424.80	\$8,496.00	
PATIENT CHAIRS CLINIC CN-2	STEELCASE FLAT FID CHAIRS WITH ARMS FABRIC: Momentum Textiles 0240046 Foot: Steelcase Pathum Metallic frame. Fabric is dormant contact for shipping info.		4	\$148.00	\$592.00	

BUDGET SUBMITTAL

Date: 10/01/13

Company Name: DHS/STAR

Presented by: GARY VILINSKY & MARY MOEN

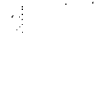





Item	Description	Image	Qty	Per Seat Cost	Extended	Location
CUNIC STOOLS CH-3	INTENZA 951 PHYSICIAN STOOL SEAT: CF SEASON RALLY RAISED GUNMETAL		5	\$185.29	\$926.45	
WAITING ROOM SEATING CH-4	NURTURE/SORREL SERIES SEATING (4) STABLE SEATS (GAJGED) SEAT: MOMENTUM Shica Bano FRAME: PLATINUM Catalogue Clementine/ all fabric donated. Contact Momentum for shipping info.		1	\$842.39	\$842.39	
WAITING ROOM SEATING CH-5	NURTURE/SORREL SERIES SEATING (7) BARIATRIC SEAT: MOMENTUM Catalogue Clementine FRAME: PLATINUM all fabric donated. Contact Momentum for shipping info.		1	INCLUDED IN TOTAL ABOVE		
EXAM ROOM CH-6	NURTURE/MINERAL RECLINER FIXED ARM, GRADE 1 FABRIC BED PLASTICOL ARM CAPS UPHOLSTERY: ORCA 5891		1	\$1,607.58	\$1,607.58	
CONFERENCE CHAIRS CH-7	STEEL CASE COSBI W/ARMS BALL BASE SEAT: GRAPHITE PLANTED PLATINUM		15	\$292.87	\$4,393.05	
RECEPTION LOUNGE CHAIR CH-8	SANDLER SEATING OF 1950s LEGS: BLACK WALNUT SEAT: WHITE TOWN		2	\$505.59	\$1,011.18	
MEZZANINE BREAK ROOM CHAIRS CH-9	STEEL CASE MOORE CHAIR NE UPH, PLATED WHITE METAL PLATINUM		6	\$141.97	\$851.82	
HALL COMPUTER STATION SEATING CH-10	NURTURE VERDE WITH STUOL WITH CLOUDES		1	\$303.59	\$303.59	

BUDGET SUBMITTAL

Date: 10/01/13

Company Name: DHS/STAR

Presented by: GARY WILINSKY & MARY MOEN


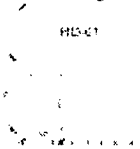

Item	Description	Image	Qty	Per Seat Cost	Extended	Location
F-3	GLOBAL 36W X 60" LATERAL FILE WHITE PCS		3	\$370.45	\$1,111.29	
F-5	GLOBAL 36W X 60" LATERAL FILE WHITE PCS		5	\$552.17	\$2,760.82	
PO-1	1.) 24" CAMBATE WORKSURFACE WILSONART 7962 WALNUT HEIGHTS (MATERIAL PROVIDED BY OTHERS) 2.) (1) MOBILEBOXFILE - CUSHION (1) (2) (3) (2) 48" WALL MOUNTED MEALINE OVERHEADS WITH PLEXIGLASS SLIDING DOORS - PANELIGHT SERVOED SERIES ALU- 3)FORM PLEXIGLASS (PLEXIGLASS PROVIDED BY OTHERS) 4.) 16" X 48" LOWER FABRIC WRAPPED MICROFACET PANEL - FABRIC - CARNAGE XOREL 50 BASED NEXUS P13 FABRIC PROVIDED BY OTHERS) 5.) NO ELECTRICAL SYSTEM PROVIDED, PULL FROM WALL		3	\$1,435.00	\$4,305.00	1ST FLOOR OFFICE 108, 109, 110
SH-1 BOOKCASE @ PO-1	SH POWDER COATED STEEL BOOK CASE- 36W X 12D WHITE		3	\$575.00	\$1,725.00	1ST FLOOR OFFICE 108, 109, 110
MEZZANINE BREAK ROOM & SMALL CONFERENCE TABLE T-1	STEELCASE UNIVERSAL TABLE 24" ROUND W/60 BASE		3	\$274.00	\$822.00	
CONFERENCE ROOM T-2	TANGRAM STUDIOS CUSTOM 12' CONFERENCE TABLE: WHITE PLAM 19MM EDGE - 40" ST. LGS WITH CASTERS (2) 60" X 48" (1) 60" TABLES (1) HAVE POWER AT WORKSURFACE (1) TABLE WITH POWER/DATA		1	\$2,050.00	\$2,050.00	1ST FLOOR

BUDGET SUBMITTAL

Date: 12.01.13

Company Name: DHS/STAR

Presented by: GARY VIINSKY & MARTY MOEN

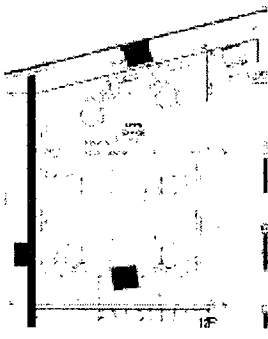
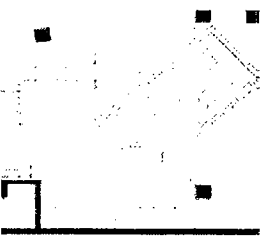
Item	Description	Image	Qty	Per Seat Cost	Extended	Location
RECEPTION SIDE TABLES 1-3	ALUMINUM HOST TABLE (REF.) WHITE		2	\$206.47	\$412.94	
RE-1 RECEPTION DESK	1.) 86 X 24, 48 X 12 LAMINATE WORKSURFACE WILSONART DESIGNER WHITE D354 60 LAMINATE PROVIDED BY OTHERS) 2.) STEEL LASER CUT FRONT PANEL/GUEST LEDGE, POWDER COAT FINISH 3.) (2) 48" WALL MOUNTED MELAMINE OVERHEADS WITH 3/8" PLEX GLASS (PLEXGLASS PROVIDED BY OTHERS) 4.) RECLAIMED WOOD FRONT & SIDE PANEL BLACK WALNUT VINTAGE, NATURAL OILED FINISH (WOOD PROVIDED BY OTHERS) 5.) (1) 20" W 20" LATERAL FILE 6.) (1) 18" W BOX/BOX FILE 7.) NO ELECTRICAL SYSTEM PROVIDED, PULL FROM WALL		1	\$3,515.00	\$3,515.00	1ST FLOOR RECEPTION 100
RE-2 CLINIC RECEPTION DESK	1.) LAMINATE WORKSURFACE (LAMINATE PROVIDED BY OTHERS). INCLUDES COST TO VIF AND PRE-CUT SURFACE AT FACTORY TO WRAP AROUND COLUMN. WE'LL HAVE 1/2" - 3/4" GA. 2.) (2) 48" W OVERHEADS - MELAMINE WITH SLIDING PLEXIGLASS DOORS (PLEXIGLASS PROVIDED BY OTHERS) 3.) GREY MELAMINE MODESTY PANEL FOR (2) SURFACES FACING AISLE 4.) (2) 26" W 20" LATERAL FILE 5.) FRONT GUEST LEDGE, STEEL, POWDER COAT FINISH 6.) NO ELECTRICAL SYSTEM PROVIDED, PULL FROM WALL		1	\$7,227.00	\$7,227.00	CLINIC 1ST FLOOR

BUDGET SUBMITTAL

Date: 03/01/13

Company Name: DHS/STAR

Presented by: GARY MILINSKY & MARY MOEN

Item	Description	Image	Qty	Per Seat Cost	Extended	Location
WS-1	1.) 24" D LAMINATE WORKSURFACE WILSONART 7965 WALNUT HEIGHTS (MATERIAL PROVIDED BY OTHERS) 2.) (1) FIXED BOX/BOXFILE PER PERSON 3.) 16" X 48" LOWER FABRIC WRAPPED MICRO JACK PANEL - FABRIC - CARNAGE XOREL 800 BASED NEXUS 913 (FABRIC PROVIDED BY OTHERS) 5.) 60" H WHITE MELAMINE PANELS ALONG NORTH WINDOW WALL 6.) ELECTRICAL SYSTEM (4) RECEPTACLE UL LISTED UNDERSURFACE ELECTRICAL BOX **DATA JACKS AND BOX BY OTHER		6	\$1,498.00	\$14,988.00	1ST FLOOR OPEN OFFICE 112
WS-2 MEZZANINE WORKSTATION	1.) 24" D LAMINATE WORKSURFACE WILSONART 7965 WALNUT HEIGHTS (MATERIAL PROVIDED BY OTHERS) 2.) (1) 36" W 2D LATERAL FILE PER PERSON ***NO WALL PANELS. ALL PANELS TO BE OFF-WALL 4.) 16" X 48" LOWER FABRIC WRAPPED MICRO JACK PANEL - FABRIC - CARNAGE XOREL 800 BASED NEXUS 913 (FABRIC PROVIDED BY OTHERS) 5.) ELECTRICAL SYSTEM (4) RECEPTACLE UL LISTED UNDERSURFACE ELECTRICAL BOX **DATA JACKS AND BOX BY OTHER		6	\$1,918.00	\$11,508.00	MEZZ OPEN OFFICE 200

FREIGHT	PREP COST FOR PETER PEPPER LEATHER SEATINGS & ALTERNATIVE	1	\$275.00	\$275.00
SPECIAL CONDITIONS DELIVERY	NOT SPECIAL CONDITION / UNLESS DISCUSSED IN THE FIELD STATE CARRIED TO MEZZANINE	0		
DELIVERY & INSTALLATION	2.) CORK FLOORCASE SEATING IN INTERIOR LEATHERY INTERIOR SEATING - PETER PEPPER ITEM		\$1,700.00	\$1,700.00
DELIVERY & INSTALLATION	1.) CORK FLOORCASE SEATING IN INTERIOR LEATHERY INTERIOR SEATING - PETER PEPPER ITEM		\$1,300.00	\$1,300.00

Longform Studio
 9300 Lorson Ave
 Suite 10 Tampa, FL 33615
 T: 862 365 5000 F: 862 365 5099

BUDGET SUBMITAL

Date: 10/01/13

Company Name: DHS/STAR

Presented by: GARY VERNISKY & MARY MOEN

Item	Description	Image	Qty	Per Seat Cost	Extended	Location
LEAD TIME: 8 WEEKS Pricing is valid for 30 days. Lead time begins after receipt of order and all items received to process order (see below). The following items are required to process a Longform Studio order: (A) 50% deposit (B) All design concept shop drawings approved with a client signature. (C) All finishes approved with a client signature. (D) All floor plans with furniture locations and electrical/in-head location approved with a client signature.				Sub Total:	\$86,160.64	
			Tax	9.00%	\$7,754.66	
				Total	\$93,915.10	